

Arizona State Board for Charter Schools

June 14, 2004

Arizona State University Downtown

502 East Monroe Street

Phoenix, Arizona

Building C, Room 378

MINUTES

Members Present

Kurt Davis – President

Kimberly Mosher–Vice President

Mary Gifford – Superintendent’s Designee

Lynne Adams – Public Member

Cassandra Larsen - Public Member

Jose Gabriel Loyola – Public Member

Mary Lynn Kelly -Business Member

Members Absent

Onnie Shekerjian- Public Member

Paul Smiley-Business Member

Senator Linda Aguirre - Advisory

Representative John Huppenthal - Advisory

Representative Ted Carpenter - Advisory

Meeting began at 9:05 AM

Agenda Item A: Pledge of Allegiance

Agenda Item B: Moment of Silence

Agenda Item C: Roll Call: Heather Kelley called the roll and confirmed a quorum. Lynne Adams arrived at 9:22 am

Agenda Item D: Call to the Public

Lisa Walker, former employee of DCS Partners, Inc., addressed the Board related to the processing of notification requests for the change in the name of the person authorized to act as a charter representative, the change in the members of the governing body of the corporate entity, and the change in the members of the governing body.

Dennis Deliman addressed the Board to apologize for his previous comments while appearing before the Board.

Mike Gaun, DCS Partners, Inc., addressed the Board related to the processing of notification requests for the change in the name of the person authorized to act as a charter representative, the change in the members of the governing body of the corporate entity, and the change in the members of the governing body.

Ronn Walker, former employee of DCS Partners, Inc., addressed the Board related to the processing of notification requests for the change in the name of the person authorized to act as a charter representative, the change in the members of the governing body of the corporate entity, and the change in the members of the governing body.

Agenda Item E: Consent Agenda

- 1. Academy of Math and Science**—Changes in grade levels served from K-11 to K-12.
- 2. Ball Charter Schools (Dobson)** —Request for an exception to USFRCS and Procurement.
- 3. Ball Charter Schools (Hearn)** ^{3/4} Request for an exception to USFRCS and Procurement.
- 4. Berean Schools**^{3/4} Changes in curriculum or instruction.
- 5. Berean Schools**^{3/4} Changes in grade levels served from K-8 to K-9.
- 6. Deer Valley Charter High School** ^{3/4} Changes in the school description/mission.
- 7. Deer Valley Charter High School** ^{3/4} Changes in calendar involving the number of days in session.
- 8. Excel Education Center Chino Valley, LLC**^{3/4} Changes in calendar involving the number of days in session.
- 9. Excel Education Center Cottonwood, LLC**^{3/4} Changes in calendar involving the number of days in session.
- 10. Excel Education Center Flagstaff, LLC**^{3/4} Changes in calendar involving the number of days in session.
- 11. Excel Education Center Ft. Mohave, LLC**^{3/4} Changes in calendar involving the number of days in session.
- 12. Excel Education Center Prescott, LLC**^{3/4} Changes in calendar involving the number of days in session.
- 13. Excel Education Center Prescott Valley, LLC**^{3/4} Changes in calendar involving the number of days in session.
- 14. Excel Education Center San Carlos, LLC**^{3/4} Changes in calendar involving the number of days in session.
- 15. Liberty High School, Inc.** ^{3/4} Request for an exception to USFRCS and Procurement.
- 16. Mountain School**^{3/4} Request for an exception to USFRCS and Procurement.
- 17. Mingus Mountain Estate Residential Center, Inc. dba Mingus Mountain Academy**^{3/4} Request for an exception to USFRCS and Procurement.
- 18. Northland Preparatory Academy**^{3/4} Changes in school description/mission.
- 19. Painted Desert Demonstration Projects dba The STAR School**^{3/4} Changes in grade levels served from K-6 to K-8.

MOTION

Motion by Kimberly Mosher to approve Consent Agenda.
Motion seconded by Mary Gifford.

Motion passes unanimously

20.Sedona Charter School^{3/4}Request for an exception to USFRCS.

21.Sedona Charter School^{3/4}Request for an exception to Procurement.

22.Superior School^{3/4}Changes in school calendar involving the number of days in session.

Agenda Item F: Superintendent's Report

None

Agenda Item G: Executive Director's Report.

Kristen Jordison provided an update on the status of schools with Board actions. She stated that there are 13 schools that have not submitted their FY2003 audits. Staff is in contact with these schools.

Kristen reported that Rolling Hills was sent the Notice of Intent to Revoke on June 3, 2004 with a hearing scheduled before the Office of Administrative Hearings on September 15, 2004.

Kristen reported that Omega Alpha Academy timely submitted their Agreed Upon Procedures Review. The staff is in the process of reviewing the report and will provide the Board with an update in July.

Kristen updated the Board to the on-going issue regarding whether for-profit charter schools are eligible for federal monies. At this time, the Department of Education is awaiting the release of the Attorney General's opinion on this issue. Given the unknown status, the Department of Education will be advising each for-profit charter school that if they wish to apply for federal monies, they are knowingly accepting the funds with the condition that if the federal government rules against the ADE, the charter school will have to return those funds.

Kristen provided the Board with a handout of the new on-line calendar available on the website.

Kristen reported that the audit guidelines and revised compliance questionnaire were emailed and mailed to all charter school representatives and auditors that have conducted charter school audits in the past year. Michele and Andrea will be conducting a half-day workshop for auditors on June 25, 2004.

Michele Diamond updated the Board on the wrap up of the legislative session. Michele highlighted the Board's continuation, membership changes to the Board, as well as, the ability to directly withhold 10% of state aid. Michele reviewed other education related bills.

President Davis asked the staff to prepare target dates for implementation of the Auditor General's recommendations. Additionally, President Davis asked that the Board begin thinking about the next legislative session and submit ideas to the sub-committee for the Board's consideration at the October meeting. Mr. Davis outlined the following three items to start this process: 1) consideration of including charter schools in the capital funding for full day kindergarten, 2) additional charter school authorizers, and 3) legislative items related to the completion of the Auditor General's recommendations. Finally, Mr. Davis asked that the staff bring back a general outline of the budget objectives for the FY 2006 & 2007 request.

Agenda Item H: Subcommittee Reports and Action Items:

1. Charter Oversight/Strategic Planning and Implementation Report—Update and review of committee actions—Cassandra Larsen.

Cassandra discussed the minor changes to the audit questionnaire for FY 2004. The committee will review the audit questionnaire for potential changes in the future. Cassandra explained the evolution and input received on the accountability matrix.

****Hearing began at 10:00 am****

Public hearing pursuant to the Notice of Intent to Revoke the Charter and Notice of Hearing filed on or about February 11, 2004 to determine whether the allegations in the Notice are true, to determine whether the school has corrected the problems associated with the reasons for the proposed termination of the charter contract and revoke the charter of Classical Kids Academy and to determine what, in any, other action may be necessary in this matter.

Asst. Attorney General Kim Anderson provided a brief background on the issues and questioned Kristen Jordison. There was no representative present for Classical Kids Academy.

Asst. Attorney General Kim Anderson distributed a copy of proposed findings of facts, conclusions of law, and an order for the Board's review.

****Hearing ended at 10:30 am****

Agenda Item H: Subcommittee Reports and Action Items Continued:

2. Outreach/Public Awareness Report—Mary Lynn

MOTION

Motion made by Lynne Adams to adopt the proposed findings of fact and conclusions of law with the amendment to include any outstanding grant and cash management reports of the FY 2004 grant funding related to Enhancing Education and Title V Part A. Motion seconded by Mary Gifford.

Motion passes unanimously

MOTION

Motion made by Lynne Adams to adopt the proposed order to revoke the charter for **Classical Kids Academy, Inc.** Motion seconded by Mary Gifford.

Motion passes unanimously

Kelly.

Mary Lynn updated the Board on the activity of the sub-committee that include her appointment as the chair of the sub-committee.

Agenda Item I:

1.Final read, discussion, and possible action on adopting an accountability policy regarding the issuance of disciplinary actions with associated timeframes, violations, and criteria.

Kim Anderson, Asst. Attorney General, answered questions from the Board on the use of historical breaches in the decision making process.

Kurt Davis thanked the sub-committee for the development of this policy and the input received from the charter community.

2.Transfer/Assignment of Charter Contract—Discussion and possible action on the request to transfer the contract from their current sponsor to the Arizona State Board for Charter Schools for Cholla Academy dba Westland Academy.

Representatives from the school were in attendance.

3.Discussion and possible action on the request for an extension of the first day of operation for Gold Canyon College Preparatory.

No representatives from the school were in attendance to answer questions from the Board.

Agenda Item J:

1.Discussion and possible action to accept the Consent Agreement for the voluntary surrender and termination of the charter contract for Black Family and Child Services, Inc. dba Teen Choice Leadership Academy.

Kristen Jordison provided the Board with background on the school and the submission of their request to surrender their charter.

No representatives from the school were in attendance to answer questions from the Board.

MOTION

Motion made by Cassandra Larsen to approve the accountability policy. Motion seconded by Mary Gifford.

Motion passes unanimously

MOTION

Motion made by Mary Gifford to approve the transfer/assignment of Charter Contract for **Cholla Academy dba Westland Academy**. Motion seconded by Kimberly Mosher.

Motion passes unanimously

MOTION

Motion made by Kimberly Mosher to reject the request for extension of the first day of operation for **Gold Canyon College Preparatory**. Motion seconded by Jose Gabriel Loyola.

Motion passes

(No: Lynne Adams, Kurt Davis)

MOTION

Motion made by Lynne Adams to accept the Consent Agreement for the Voluntary Surrender and Termination of the Charter Contract for **Black Family and Child Services, Inc. dba Teen Choice Leadership Academy**. Motion seconded by Mary Gifford. Motion amended by Mary Gifford to include the submission of the audit for **Black Family and Child Services, Inc. dba Teen Choice Leadership Academy** by June 30, 2004. Motion seconded by Lynne Adams.

Motion passes unanimously

2. Discussion and possible action on review of the Administrative Law Judge decision (03F-RV03004-BCS) for Future Development Corporation and Future Development Education and Performing Arts Academy.

Asst. Attorney General Victoria Mangiapane answered questions from the Board.

3. Discussion and possible action on review of the Administrative Law Judge decision (03-RV03002-BCS) for ReInventEd, Inc.

Asst. Attorney General Victoria Mangiapane answered questions from the Board.

4. Discussion and possible action on the request to amend the charter to transfer ownership to Allsport Enterprises, Inc.

Kristen Jordison provided the Board with background information related to the transfer of ownership from Eastpointe High School to Allsport Enterprises.

Larry Simmons, representative from Eastpointe High School, and Moses Montoya, representative from Allsport Enterprises, answered questions from the Board.

MOTION

Motion made by Lynne Adams to accept the findings of fact and conclusions of law as written by the Administrative Law Judge for **Future Development Corporation and Future Development Education and Performing Arts Academy**. Mary Gifford seconded the motion.

Motion passes unanimously

MOTION

Motion made by Lynne Adams to adopt the order of the Administrative Law Judge for **Future Development Corporation and Future Development Education and Performing Arts Academy** and terminate the charter contract effective June 14, 2004. Motion seconded by Jose Gabriel Loyola.

Motion passes unanimously

MOTION

Motion made by Lynne Adams to accept the findings of fact and conclusions of law of the Administrative Law Judge for **ReInventEd, Inc.** Motion seconded by Kimberly Mosher.

Motion passes unanimously

MOTION

Motion made by Lynne Adams to adopt the order of the Administrative Law Judge for **ReInventEd, Inc.** and terminate the charter contract effective June 14, 2004. Motion seconded by Mary Gifford. Lynne Adams amended the motion to include that this matter be referred to the Attorney General's Office for collection. Motion seconded by Mary Gifford.

Motion passes unanimously

MOTION

Motion made by Cassandra Larsen to approve the transfer of ownership to **Allsport Enterprises, Inc.** Motion seconded by Kimberly Mosher.

Motion passes unanimously

5. Update on the processing of notification requests for the change in the name of the person authorized to act as a charter representative, the change in the members of the governing body of the corporate entity, and the change in the members of the governing body for DCS Partners, Inc.

Kristen Jordison presented background information to the Board on the processing of the Notification Requests for DCS Partners, Inc.

Tracy Morehouse, the attorney for DCS Partners, Inc. addressed the Board.

**BOARD CONVENES AN EXECUTIVE SESSION
AT 11:20 AM**

**BOARD RESUMES GENERAL SESSION AT 11:35
AM**

MOTION

Motion made by Cassandra Larsen to go into Executive Session.
Motion seconded by Mary Lynn Kelly.

**Motion passes unanimously
(Abstained: Gifford)**

There was no further action taken on this item.

****Hearing began at 11:45 am****

Public hearing pursuant to the Notice of Hearing dated April 6, 2004 to consider the appeal of the Board's decision on February 9, 2004 under A.R.S. 15-183.C.2 to reject the application to establish a charter school and deny the request for a charter because the applicant was not sufficiently qualified to operate a charter school because the application failed to demonstrate sound budgeting, the application failed to provide adequate documentation on background information on all corporate principals, and the applicant's current operation of its charter of North Star Charter School.

MOTION

Motion made by Lynne Adams for the Board to adopt the finding of facts of items 3 a, b, c, d, and e for **North Star Middle School, Inc.** Motion was seconded by Kimberly Mosher.

**Motion passes
(No: Davis)**

MOTION

Motion made by Kimberly Mosher to accept the conclusions of law for **North Star Middle School, Inc.** Motion seconded by Lynne Adams.

Motion passes unanimously

MOTION

Motion made by Lynne Adams that the Board affirm the Board's denial of the application for a charter for **North Star Middle School, Inc.** based on the findings of fact and conclusions of law. Motion seconded by Kimberly Mosher.

Motion passes unanimously

Mary Gifford left the meeting.

****Hearing ended at 2:20 pm****

Agenda Item M: Approval of Minutes

May 10, 2004

MOTION

Motion made by Lynne Adams to approve the minutes of May 10, 2004. Motion seconded by Jose Gabriel Loyola.

Motion passes unanimously

Agenda Item N: Adjournment

MOTION

Motion by Cassandra Larsen to adjourn the meeting. Motion seconded by Lynne Adams.

Motion passes unanimously

The meeting adjourned at approximately 2:25 pm.

Signature

Date